

Notice No: 00-009

Date: July 20, 2000

Applies to: SERS Employers

Subject: Implementation of the School Employees' Retirement System

Background

On September 1, 2000, the School Employees' Retirement System (SERS) Plan 2 and Plan 3 will go into effect. All classified employees of school districts and Educational Service Districts, who are members of the Public Employees' Retirement System (PERS) Plan 2, will automatically become members of SERS Plan 2 on September 1. SERS Plan 2 members will have the option to transfer to SERS Plan 3. All classified employees hired on or after September 1, 2000, into an eligible position, who have not previously established membership in PERS Plan 1 or PERS Plan 2, will become members of SERS Plan 3. PERS Plan 1 members will continue membership in PERS Plan 1.

Reporting Transition

The August 2000 transmittal report (due by September 15, 2000) will be the last PERS Plan 2 report that the Department of Retirement Systems (DRS) will process for school districts and Educational Service Districts. After the August transmittals have been processed, DRS will convert active PERS Plan 2 members into SERS Plan 2. It is imperative that end dates be reported -- for any PERS Plan 2 members who terminated employment in August -- on the August 2000 transmittal, so their memberships are not converted.

Employers must update their computer systems to ensure that active PERS Plan 2 members are reported, beginning with the September 2000 report, on a SERS Plan 2 transmittal report. Employers must also report SERS Plan 3 members on the September 2000 report. Please refer to the *DRS Employer Handbook* or DRS Notice 00-002 if you have any reporting questions.

Effective with the September 2000 transmittal report, school districts and Educational Service Districts should submit reports for the following systems and plans:

- PERS Plan 1,
- SERS Plan 2 and Plan 3, and
- TRS Plan 1, Plan 2 and Plan 3.

Timely Reporting

Timely and accurate reporting is essential in a defined contribution plan such as SERS Plan 3 and TRS Plan 3. Late or inaccurate reporting can affect members' investment returns, and employers will have to cover the difference in the case of late or inaccurate reporting. Employers are encouraged to send both the Plan 3 member contributions and the transmittal reports as soon after each pay date as possible.

Open Receivables Transition

Employers who receive PERS Plan 2 invoices dated September 2000 (due October 15, 2000) should apply the payment to SERS Plan 2, via the Payment Advice Form. All PERS Plan 2 open receivables for periods prior to September 2000 will be converted to SERS Plan 2 open receivables by the end of September. You should contact an accounts manager at (360) 664-7200/Option 1, if you have any questions.

DRS Employer Handbook

Updates to the DRS Employer Handbook were mailed in mid-July. Employers should review the updated material to ensure a complete understanding of the administrative changes due to the implementation of SERS. If you have not received your handbook, or if you need additional supplies, please contact DRS at (360) 664-7200.

Employer Training

Employers are encouraged to attend the training workshops that are scheduled for July and August. These workshops are being held at the regional Educational Service Districts across the state. Please refer to DRS Notice 00-004 for the workshop schedule and location information.

Forms

Attached are redesigned forms, which members and employers should begin using September 1, 2000. These are the current forms, but have been updated to include SERS. There are 12 copies of each form. Please make any additional copies and distribute them as needed.

Forms can also be accessed on the DRS Web site (<http://www.wa.gov/DRS/forms/index.htm>). The following is a list of the enclosed forms and a summary of the changes that were made:

Forms	Changes Made
<ul style="list-style-type: none">• Plan 3 Member Information Form• Plan 3 Change of Investment Program Form• Plan 3 Transmittal Correction Report	Made TRS Plan 3 forms applicable to all Plan 3 systems.
<ul style="list-style-type: none">• Beneficiary Designation Form• Enrollment Form• Retirement Status Form• Credit Redistribution Form	Now include SERS.

<ul style="list-style-type: none"> • Plan 3 Payment Advice • Payment Advice Form • Retiree Return to Work Report 	Only the instructions or form references have been updated.
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Note: Please recycle previous versions of these forms.

SERS Member Handbooks and Investment Education Materials

SERS Plan 2 and *Plan 3 Member Handbooks* and investment education publications will be mailed to employers in August. Please refer to DRS Notice 00-010 for instructions regarding distribution of these materials. SERS member handbooks can be accessed on the DRS Web site (<http://www.wa.gov/DRS/member/index.htm>).

SERS Plan 3 Member Education

Educational Technologies, Inc. (ETI) will resume transfer education workshops in September and continue through the transfer period, which closes February 28, 2001.

ICMA Retirement Corporation (ICMA-RC) will begin investment education seminars for SERS members in August. These one-hour presentations provide information on Plan 3 investment choices and basic investing principles. Workshops are intended for new SERS Plan 3 members and SERS Plan 2 members considering a transfer to SERS Plan 3. For the schedule of investment education seminars, please refer to ICMA-RC's Web site (<http://www.icmarc.org/plan3>).

Representatives from both ETI and ICMA-RC will be contacting you to schedule workshops in your district. Please assist them in locating a suitable facility, posting registration sign-up sheets and by welcoming members from neighboring school districts (space allowing) should they contact you for enrollment.

Questions?

If you have questions regarding the information in this Notice, please contact Employer Support Services at (360) 664-7200, or call the toll free line, 1-800-547-6657.

This Notice can be accessed on the DRS Web site (<http://www.wa.gov/DRS/employer/drsn/index.htm>).

John F. Charles
Director

2000 DRS Notices

For a copy of a Notice, call (360) 664-7170 or 1-800-547-6657, or
access on the DRS Web site at <http://www.wa.gov/DRS/employer>.

Notice No.	Applies to/ Subject Matter
00-001	PERS, LEOFF, WSPRS and JRS Employers Members' Annual Statements and Sequencing Information
00-002	SERS Employers Reporting Requirements and Education Activities
00-003	DCP Employers DCP Reporting Requirements and Employer Training
00-004	All Employers Statewide Training
00-005	All Employers Potential Contribution Rate Changes
00-006	All Employers Contribution Rate Changes
00-007	All Employers Contribution Rate Changes
00-008	DCP Employers Implementation of New Reporting Processes and New Record Keeper
00-009	SERS Employers Implementation of the School Employees' Retirement System